

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814  
(916) 445-7046



May 23, 1983

ALL COUNTY LETTER NO. 83-45

TO: ALL COUNTY WELFARE DIRECTORS  
ALL COUNTY FISCAL OFFICERS  
ALL COUNTY ADMINISTRATIVE SERVICES OFFICERS  
ALL COUNTY AUDITORS

SUBJECT: EQUIPMENT DEPRECIATION STANDARD

REFERENCE: ACL 79-65, ACL 82-100

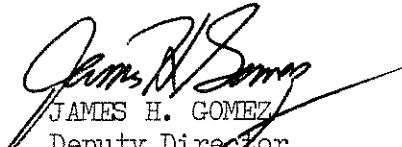
This is to notify county welfare departments that on October 21, 1982, the Department of Health and Human Services enacted federal regulations which permit expensing of equipment where the acquisition cost does not exceed \$25,000. These regulations, however, do not apply to the Food Stamp Program which is administered by the United States Department of Agriculture.

By letter dated April 12, 1983, the Food and Nutrition Service, in anticipation of revised regulations, notified this Department that they will also permit the \$25,000 level where appropriate under State procedures. Therefore, effective with the quarter ending June 1983, the cost of pooled equipment which does not exceed a unit acquisition cost of \$25,000 may be expensed in the period acquired, or depreciated at the option of the county welfare department.

Equipment costs which are identifiable and chargeable to a specific program and exceed a unit acquisition cost of \$5,000 require approval from SDSS prior to being expensed.

These instructions revise earlier instructions found in All County Letters 82-100 and 79-65 regarding the equipment cost level which may be expensed. The remaining instructions regarding depreciation and inventory control are unchanged.

Please refer your claiming questions to the Fiscal Policy and Procedures Bureau at (916) 445-7046 or ATSS (8) 485-7046.

  
JAMES H. GOMEZ  
Deputy Director  
Administration

cc: CWDA